

Minutes
Labor-Management Advisory Council
June 15, 2016
Best Western Great Northern Hotel, Helena

Advisory Council and Subcommittee members present:

Lt. Governor Mike Cooney
Jackie Lenmark, American Insurance Association
Bob Worthington, Montana Municipal Interlocal Authority
Al Smith, Montana Trial Lawyers Association
Marvin Jordan, Montana Contractors Compensation Fund
Seth Bergan, (?)
Chris Cavazos, Montana AFL-CIO
Lance Zanto, Workers' Compensation Management Bureau
Kevin Braun, Montana State Fund
Vicky Byrd, Montana Nurses Association
Bonnie Lyytinen-Hale, Genex Services
Annette Hoffman, St. Vincent Healthcare
Bill Dahlgren, Sun Mountain Sports
Don Judge, Injured Workers Resource Council. Don was also the proxy for Jim Larson with Teamsters Local 190 and Doug Buman, Laborer's International Union of North America

Project Core Team members present:

Eric Strauss, ERD Administer
Bryan Page, Safety & Health Bureau Chief
Peter Van Nice, Regulations Bureau Chief
Bill Wheeler, Claims Assistance Bureau Chief
Mark Cadwallader, Department Legal Counsel
Jason Swant, Project Manager

Others present:

Larry Jones, Attorney
ERD: Barb Gullickson, Karen Wiles, Dave Elenbaas, Ken Buskupiak, Julia Brennan, and Maralyn Lytle

Montana State Fund:

Peter Strauss, Sam Heigh, Shari Truax, and Kevin Bartsch

MMIA:

Ann Komac and Thom Danenhauer

Reed Group/ACOEM Guides

Carlos Luna

I. Welcome and Introductions

Lt. Governor Mike Cooney chaired the meeting greeted those present and introductions were made.

II. Approval of Agenda and Previous Minutes

The agenda and minutes from the May 11, 2016 were approved.

III. LMAC Work Plan – Jason Swant

The Work Plan was included in the packets and is similar to the format of prior Work Plans. It included current items to be worked on, and consideration of those items the Council may be looking into.

IV. Safety Information – Bryan Page.

Bryan pointed out topics to be completed which need LMAC support. They include:

- Contractor Safety Bill. This could be done by way of Administrative Rule or Executive Order as legislation has failed in the past. It would make a safety metric when awarding State contracts and no one would be excluded from bidding. Companies could prove they have a good safety record or do something additional to improve safety. It would provide support to those contractors who need assistance with safety programs and include a conditional acceptance clause requiring they get needed assistance. This could include 10 hour classes for supervisors, working with insurers to identify high cost claims and a development of a site specific safety plan
- Public Certification Program based on the Federal program requiring 60 hours of class time and be offered at SafetyFest.
- Expansion of 10 hour classes by way of blended classes with some obtained in the classroom and some online. This should increase participation

A request will be made to Governor Bullock, with the support of LMAC, to contact OSHA for approval of a blended class. Discussion included the need of LMAC support and formalizing a draft rule before approaching the Department of Administration. ERD will look at other States to see if there are statutes or rules in place and provide a draft rule at the next meeting. Further discussion involved providing incentives to take certification classes. Don Judge will be meeting with OPI and the University System to discuss further educational opportunities and ways to encourage teachers to take courses to teach the certification classes.

V. Best Practices for Claims Handling Panel Discussion – Gary Holt Liberty Northwest, Ann Komac MMIA, and Kevin Bartsch Montana State Fund

Included in the member packet was a handout from Mike Marsh with Midland Claims/Industrial Injury Claims Service.

Each panelist described their background and experience in claims handling and management. They outlined their company's staffing numbers and requirements to include examiners handling medical only claims, those who handle wage loss claims and senior examiners handling more difficult claims. There were several similarities on each company's Claim Best Practices to include prompt three contact with the injured worker, employer and medical providers. The goal is to make contact within one business day. Good communication with all parties involved with the claim is of key importance to maintain a good rapport. Technology has become important in today's claims management making it easier for the parties to contact their claims adjusters, have direct bank deposit of wage loss benefits, and go online to see their claim payment activity. They also stressed the importance of communication and education of their clients and to reach out to rank and file employees advising on what happens when a claim is filed and how it effects their lives. Continued education is also heavily focused as is mentoring newer claims examiners.

A question arose regarding the in-state adjuster statute. Mark Cadwallader and Bill Wheeler explained the mechanics of the Montana Guaranty Insurance Association and how it comes into play with insurers in receivership or bankruptcy. Discussion also involved the Medical Status form, pharmacy benefits, designation of the treating physician, prior authorization of medical services, and an injured worker's loss of health insurance and other benefits. Some difficulty of managing claims is injured workers are not educated on the process, and the claim is managed according to the law in effect for the date of injury, and the impact of court decisions.

VI. Drug Formulary, Discussion and Recommendations - Eric Strauss, ERD Administer

Eric Strauss advised ERD needs direction on if, and how, to move forward with a drug formulary. It is the consensus of LMAC to look at other jurisdictions to see if other States can provide options as a starting point.

VII. Other Matters – Information Only.

Al Smith wants to continue to pursue areas to give money for the student safety competition and will contact Mike Marsh in this regard.

VIII. Public Comment – Lt Governor Mike Cooney

There was no public comment.

IX Next Steps – Jason Swant

1. State of Montana procurement safety requirement
 - Draft safety requirement language

- Collaborate with State Department of Administration and Office of Procurement
- 2. Public safety professional certification
 - Develop curriculum
- 3. Expansion of 10 hour OSHA classes
 - Pursue Governor's support letter to OSHA to pilot combining classroom and online trainings.
- 4. Formulary
 - Jurisdictional review of drug formularies
 - Determine options for implementation
Legislation / administrative rule
 - Address Legacy claims
- 5. Best practices for claims handling
 - Recommendations for non-best practice claims handling

The meeting was adjourned